SERVED: May 17, 2002

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UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 14th day of May, 2002

Essential Air Service at

MUSCLE SHOALS, ALABAMA

Under 49 U.S.C. 41731 et seq.

Docket OST-2000-7856-29

ORDER EXTENDING SERVICE OBLIGATION

Summary

By this order, the Department is extending Northwest Airlink's service obligation at Muscle Shoals, Alabama, for an additional 30 days, through June 24, 2002.¹

Background

On August 24, 2000, Express Airlines I, Inc., d/b/a Northwest Airlink (Northwest Airlink), filed a 90-day notice of its intent to suspend its subsidy-free service at Owensboro, KY, Muscle Shoals, AL, and Jackson, TN, effective November 22, 2000. By Order 2000-10-3, October 2, 2000, the Department prohibited Northwest Airlink from suspending service at the communities for an initial 30-day period, through December 22, 2000, and stated that we would issue subsequent 30-day hold-in orders until we could secure replacement service. We issued Order 2001-3-21, selecting Corporate Airlines to provide service at Jackson and Owensboro. That service began on May 1, 2001. At Muscle Shoals, we have extended Northwest Airlink's service obligation for additional 30-day periods, the latest through May 24, 2002, by Order 2002-4-15.

Both Northwest Airlink and Corporate Airlines have submitted subsidy proposals for service at Muscle Shoals. However, since this case will not be completed before the end of the current hold-in period, and as required by 49 U.S.C. 41734, we must continue to hold Northwest Airlink in at Muscle Shoals for an additional 30-day period.

This order is issued under authority delegated in 49 CFR 1.56a(f).

¹ Since June 23rd is a Sunday, this hold-in period will end on Monday, June 24th. (See 14 CFR 302.8)

ACCORDINGLY,

- 1. The Department requires Express Airlines I, Inc., d/b/a Northwest Airlink, to maintain essential air service at Muscle Shoals, Alabama, consisting of at least two nonstop or one-stop round trips each weekday and weekend period between Muscle Shoals and Memphis for an additional 30-day period, through June 24, 2002, or until a carrier capable of providing reliable replacement service actually begins, whichever occurs first;²
- 2. The Department directs Northwest Airlink to retain all books, records, and other source and summary documents to support subsidy claims for payment and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the records may be destroyed. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order;
- 3. Docket OST-2000-7856 will remain open until further order of the Department; and
- 4. The Department will serve a copy of this order on the Mayor and Airport Manager of Muscle Shoals, Alabama, and Express Airlines I, Inc., d/b/a Northwest Airlink.

By:

READ C. VAN de WATER

Assistant Secretary for Aviation and International Affairs

(SEAL)

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² In accordance with 49 U.S.C. 41734(c), we will extend Northwest Airlink's service obligation for successive 30-day periods as necessary until replacement service actually begins.